

## General Assembly

## Substitute Bill No. 438

February Session, 2010

\*\_\_\_\_SB00438ED\_APP032410\_\_\_\_\*

## AN ACT CONCERNING CHARTER SCHOOLS AND OPEN CHOICE PROGRAM FUNDING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 10-66bb of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective from passage*):
- 3 (a) On and after July 1, 1997, the State Board of Education may grant
- 4 [, within available appropriations,] charters for local and state charter
- 5 schools in accordance with this section.
- 6 (b) Any person, association, corporation, organization or other
- 7 entity, public or independent institution of higher education, local or
- 8 regional board of education or two or more boards of education
- 9 cooperatively, or regional educational service center may apply to the
- 10 Commissioner of Education, at such time and in such manner as the
- 11 commissioner prescribes, to establish a charter school, provided no
- 12 nonpublic elementary or secondary school may be established as a
- 13 charter school and no parent or group of parents providing home
- 14 instruction may establish a charter school for such instruction.
- 15 (c) The State Board of Education shall review, annually, all
- 16 applications and grant charters in accordance with subsection (f) of
- 17 this section. (1) Except as provided for in subdivision (2) of this
- subsection, no state charter school shall enroll (A) (i) more than two

hundred fifty students, or (ii) in the case of a kindergarten to grade eight, inclusive, school, more than three hundred students, or (B) twenty-five per cent of the enrollment of the school district in which the state charter school is to be located, whichever is less. (2) In the case of a state charter school found by the State Board of Education to have a demonstrated record of achievement, [such school] said board [may,] shall, upon application to [and approval by] said board, [enroll eighty-five students per grade, if within appropriations] waive the provisions of subdivision (1) of this subsection for such school. The State Board of Education shall give preference to applicants for charter schools that will serve students who reside in a priority school district pursuant to section 10-266p or in a district in which seventy-five per cent or more of the enrolled students are members of racial or ethnic minorities and to applicants for state charter schools that will be located at a work-site or that are institutions of higher education. In determining whether to grant a charter, the State Board of Education shall consider the effect of the proposed charter school on the reduction of racial, ethnic and economic isolation in the region in which it is to be located, the regional distribution of charter schools in the state and the potential of over-concentration of charter schools within a school district or in contiguous school districts.

(d) Applications pursuant to this section shall include a description of: (1) The mission, purpose and any specialized focus of the proposed charter school; (2) the interest in the community for the establishment of the charter school; (3) the school governance and procedures for the establishment of a governing council that (A) includes (i) teachers and parents and guardians of students enrolled in the school, and (ii) the chairperson of the local or regional board of education of the town in which the charter school is located and which has jurisdiction over a school that resembles the approximate grade configuration of the charter school, or the designee of such chairperson, provided such designee is a member of the board of education or the superintendent of schools for the school district, and (B) is responsible for the

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oversight of charter school operations, provided no member or employee of the governing council may have a personal or financial interest in the assets, real or personal, of the school; (4) the financial plan for operation of the school, provided no application fees or other fees for attendance, except as provided in this section, may be charged; (5) the educational program, instructional methodology and services to be offered to students; (6) the number and qualifications of teachers and administrators to be employed in the school; (7) the organization of the school in terms of the ages or grades to be taught and the total estimated enrollment of the school; (8) the student admission criteria and procedures to (A) ensure effective public information, (B) ensure open access on a space available basis, (C) promote a diverse student body, and (D) ensure that the school complies with the provisions of section 10-15c and that it does not discriminate on the basis of disability, athletic performance or proficiency in the English language, provided the school may limit enrollment to a particular grade level or specialized educational focus and, if there is not space available for all students seeking enrollment, the school may give preference to siblings but shall otherwise determine enrollment by a lottery; (9) a means to assess student performance that includes participation in state-wide mastery examinations pursuant to chapter 163c; (10) procedures for teacher evaluation and professional development for teachers and (11) the provision of school facilities, pupil administrators; transportation and student health and welfare services; (12) procedures to encourage involvement by parents and guardians of enrolled students in student learning, school activities and school decision-making; (13) document efforts to increase the racial and ethnic diversity of staff; and (14) a five-year plan to sustain the maintenance and operation of the school. Subject to the provisions of subsection (b) of section 10-66dd, as amended by this act, an application may include, or a charter school may file, requests to waive provisions of the general statutes and regulations not required by sections 10-66aa to 10-66ff, inclusive, as amended by this act, and which are within the jurisdiction of the State Board of Education.

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(e) An application for the establishment of a local charter school shall be submitted to the local or regional board of education of the school district in which the local charter school is to be located for approval pursuant to this subsection. The local or regional board of education shall: (1) Review the application; (2) hold a public hearing in the school district on such application; (3) survey teachers and parents in the school district to determine if there is sufficient interest in the establishment and operation of the local charter school; and (4) vote on a complete application not later than sixty days after the date of receipt of such application. Such board of education may approve the application by a majority vote of the members of the board present and voting at a regular or special meeting of the board called for such purpose. If the application is approved, the board shall forward the application to the State Board of Education. The State Board of Education shall vote on the application not later than seventy-five days after the date of receipt of such application. Subject to the provisions of subsection (c) of this section, the State Board of Education may approve the application and grant the charter for the local charter school or reject such application by a majority vote of the members of the state board present and voting at a regular or special meeting of the state board called for such purpose. The State Board of Education may condition the opening of such school on the school's meeting certain conditions determined by the Commissioner of Education to be necessary and may authorize the commissioner to release the charter when the commissioner determines such conditions are met. The state board may grant the charter for the local charter school for a period of time of up to five years and may allow the applicant to delay its opening for a period of up to one school year in order for the applicant to fully prepare to provide appropriate instructional services.

(f) An application for the establishment of a state charter school shall be (1) submitted to the State Board of Education for approval in accordance with the provisions of this subsection, and (2) filed with the local or regional board of education in the school district in which the charter school is to be located. The state board shall: (A) Review such

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application; (B) hold a public hearing on such application in the school district in which such state charter school is to be located; (C) solicit and review comments on the application from the local or regional board of education for the school district in which such charter school is to be located and from the local or regional boards of education for school districts that are contiguous to the district in which such school is to be located; and (D) vote on a complete application not later than seventy-five days after the date of receipt of such application. The State Board of Education may approve an application and grant the charter for the state charter school by a majority vote of the members of the state board present and voting at a regular or special meeting of the state board called for such purpose. The State Board of Education may condition the opening of such school on the school's meeting certain conditions determined by the Commissioner of Education to be necessary and may authorize the commissioner to release the charter when the commissioner determines such conditions are met. Charters shall be granted for a period of time of up to five years and may allow the applicant to delay its opening for a period of up to one school year in order for the applicant to fully prepare to provide appropriate instructional services.

(g) Charters may be renewed, upon application, in accordance with the provisions of this section for the granting of such charters. Upon application for such renewal, the State Board of Education may commission an independent appraisal of the performance of the charter school that includes, but is not limited to, an evaluation of the school's compliance with the provisions of this section. The State Board of Education shall consider the results of any such appraisal in determining whether to renew such charter. The State Board of Education may deny an application for the renewal of a charter if (1) student progress has not been sufficiently demonstrated, as determined by the commissioner, (2) the governing council has not been sufficiently responsible for the operation of the school or has misused or spent public funds in a manner that is detrimental to the educational interests of the students attending the charter school, or (3)

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the school has not been in compliance with applicable laws and regulations. If the State Board of Education does not renew a charter, it shall notify the governing council of the charter school of the reasons for such nonrenewal.

(h) The Commissioner of Education may at any time place a charter school on probation if (1) the school has failed to (A) adequately demonstrate student progress, as determined by the commissioner, (B) comply with the terms of its charter or with applicable laws and regulations, (C) achieve measurable progress in reducing racial, ethnic and economic isolation, or (D) maintain its nonsectarian status, or (2) the governing council has demonstrated an inability to provide effective leadership to oversee the operation of the charter school or has not ensured that public funds are expended prudently or in a manner required by law. If a charter school is placed on probation, the commissioner shall provide written notice to the charter school of the reasons for such placement, not later than five days after the placement, and shall require the charter school to file with the Department of Education a corrective action plan acceptable to the commissioner not later than thirty-five days from the date of such placement. The charter school shall implement a corrective action plan accepted by the commissioner not later than thirty days after the date of such acceptance. The commissioner may impose any additional terms of probation on the school that the commissioner deems necessary to protect the educational or financial interests of the state. The charter school shall comply with any such additional terms not later than thirty days after the date of their imposition. The commissioner shall determine the length of time of the probationary period, which may be up to one year, provided the commissioner may extend such period, for up to one additional year, if the commissioner deems it necessary. In the event that the charter school does not file or implement the corrective action plan within the required time period or does not comply with any additional terms within the required time period, the Commissioner of Education may withhold grant funds from the school until the plan is fully implemented or the school

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complies with the terms of probation, provided the commissioner may extend the time period for such implementation and compliance for good cause shown. Whenever a charter school is placed on probation, the commissioner shall notify the parents or guardians of students attending the school of the probationary status of the school and the reasons for such status. During the term of probation, the commissioner may require the school to file interim reports concerning any matter the commissioner deems relevant to the probationary status of the school, including financial reports or statements. No charter school on probation may increase its student enrollment or engage in the recruitment of new students without the consent of the commissioner.

(i) The State Board of Education may revoke a charter if a charter school has failed to: (1) Comply with the terms of probation, including the failure to file or implement a corrective action plan; (2) demonstrate satisfactory student progress, as determined by the commissioner; (3) comply with the terms of its charter or applicable laws and regulations; or (4) manage its public funds in a prudent or legal manner. Unless an emergency exists, prior to revoking a charter, the State Board of Education shall provide the governing council of the charter school with a written notice of the reasons for the revocation, including the identification of specific incidents of noncompliance with the law, regulation or charter or other matters warranting revocation of the charter. It shall also provide the governing council with the opportunity to demonstrate compliance with all requirements for the retention of its charter by providing the State Board of Education or a subcommittee of the board, as determined by the State Board of Education, with a written or oral presentation. Such presentation shall include an opportunity for the governing council to present documentary and testimonial evidence to refute the facts cited by the State Board of Education for the proposed revocation or in justification of its activities. Such opportunity shall not constitute a contested case within the meaning of chapter 54. The State Board of Education shall determine, not later than thirty days after the date of an oral

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223 presentation or receipt of a written presentation, whether and when 224 the charter shall be revoked and notify the governing council of the 225 decision and the reasons therefor. A decision to revoke a charter shall 226 not constitute a final decision for purposes of chapter 54. In the event 227 an emergency exists in which the commissioner finds that there is 228 imminent harm to the students attending a charter school, the State 229 Board of Education may immediately revoke the charter of the school, 230 provided the notice concerning the reasons for the revocation is sent to 231 the governing council not later than ten days after the date of 232 revocation and the governing council is provided an opportunity to 233 make a presentation to the board not later than twenty days from the 234 date of such notice.

- Sec. 2. Section 10-66hh of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (a) For the fiscal [years] <u>year</u> ending June 30, 2008, [and June 30, 2009] <u>and each fiscal year thereafter</u>, the Commissioner of Education shall establish, within available bond authorizations, a grant program to assist state charter schools in financing (1) school building projects, as defined in section 10-282, (2) general improvements to school buildings, as defined in subsection (a) of section 10-265h, and (3) repayment of debt incurred for school building projects. The governing authorities of such state charter schools may apply for such grants to the Department of Education at such time and in such manner as the commissioner prescribes. The commissioner shall give preference to applications that provide for matching funds from nonstate sources.
  - (b) All final calculations for grant awards pursuant to this section in an amount equal to or greater than two hundred fifty thousand dollars shall include a computation of the state grant amount amortized on a straight line basis over a ten-year period. Any state charter school which abandons, sells, leases, demolishes or otherwise redirects the use of a school building which benefited from such a grant award during such amortization period, including repayment of debt for the

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- 256 purchase, renovation or improvement of the building, shall refund to 257 the state the unamortized balance of the state grant remaining as of the 258 date that the abandonment, sale, lease, demolition or redirection 259 occurred. The amortization period shall begin on the date the grant 260 award is paid. A state charter school required to make a refund to the 261 state pursuant to this subsection may request forgiveness of such 262 refund if the building is redirected for public use.
- 263 Sec. 3. Section 10-266aa of the general statutes is repealed and the 264 following is substituted in lieu thereof (*Effective July 1, 2010*):
- 265 (a) As used in this section:
- 266 (1) "Receiving district" means any school district that accepts 267 students under the program established pursuant to this section;
- 268 (2) "Sending district" means any school district that sends students it 269 would otherwise be legally responsible for educating to another school 270 district under the program; and
- (3) "Minority students" means students who are "pupils of racial 272 minorities", as defined in section 10-226a.
  - (b) There is established, within available appropriations, an interdistrict public school attendance program. The purpose of the program shall be to: (1) Improve academic achievement; (2) reduce racial, ethnic and economic isolation or preserve racial and ethnic balance; and (3) provide a choice of educational programs for students enrolled in the public schools. The Department of Education shall provide oversight for the program, including the setting of reasonable limits for the transportation of students participating in the program, and may provide for the incremental expansion of the program for the school year commencing in 2000 for each town required to participate in the program pursuant to subsection (c) of this section.
  - (c) The program shall be phased in as provided in this subsection. (1) For the school year commencing in 1998, and for each school year

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thereafter, the program shall be in operation in the Hartford, New Haven and Bridgeport regions. The Hartford program shall operate as a continuation of the program described in section 10-266j. Students who reside in Hartford, New Haven or Bridgeport may attend school in another school district in the region and students who reside in such other school districts may attend school in Hartford, New Haven or Bridgeport, provided, beginning with the 2001-2002 school year, the proportion of students who are not minority students to the total number of students leaving Hartford, Bridgeport or New Haven to participate in the program shall not be greater than the proportion of students who were not minority students in the prior school year to the total number of students enrolled in Hartford, Bridgeport or New Haven in the prior school year. The regional educational service center operating the program shall make program participation decisions in accordance with the requirements of this subdivision. (2) For the school year commencing in 2000, and for each school year thereafter, the program shall be in operation in New London, provided beginning with the 2001-2002 school year, the proportion of students who are not minority students to the total number of students leaving New London to participate in the program shall not be greater than the proportion of students who were not minority students in the prior year to the total number of students enrolled in New London in the prior school year. The regional educational service center operating the program shall make program participation decisions in accordance with this subdivision. (3) The Department of Education may provide, within available appropriations, grants for the fiscal year ending June 30, 2003, to the remaining regional educational service centers to assist school districts in planning for a voluntary program of student enrollment in every priority school district, pursuant to section 10-266p, which is interested in participating in accordance with this subdivision. For the school year commencing in 2003, and for each school year thereafter, the voluntary enrollment program may be in operation in every priority school district in the state. Students from other school districts in the area of a priority school district, as determined by the regional educational service center pursuant to

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- subsection (d) of this section, may attend school in the priority school district, provided such students bring racial, ethnic and economic diversity to the priority school district and do not increase the racial, ethnic and economic isolation in the priority school district.
  - (d) School districts which received students from New London under the program during the 2000-2001 school year shall allow such students to attend school in the district until they graduate from high school. The attendance of such students in such program shall not be supported by grants pursuant to subsections (f) and (g) of this section but shall be supported, in the same amounts as provided for in said subsections, by interdistrict cooperative grants pursuant to section 10-74d to the regional educational service centers operating such programs.
  - (e) Once the program is in operation in the region served by a regional educational service center pursuant to subsection (c) of this section, the Department of Education shall provide an annual grant to such regional educational service center to assist school districts in its area in administering the program and to provide staff to assist students participating in the program to make the transition to a new school and to act as a liaison between the parents of such students and the new school district. Each regional educational service center shall determine which school districts in its area are located close enough to a priority school district to make participation in the program feasible in terms of student transportation pursuant to subsection (f) of this section, provided any student participating in the program prior to July 1, 1999, shall be allowed to continue to attend the same school such student attended prior to said date in the receiving district until the student completes the highest grade in such school. Each regional educational service center shall convene, annually, a meeting of representatives of such school districts in order for such school districts to report, by March thirty-first, the number of spaces available for the following school year for out-of-district students under the program. Annually, each regional educational service center shall

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provide a count of such spaces to the Department of Education by April fifteenth. If there are more students who seek to attend school in a receiving district than there are spaces available, the regional educational service center shall assist the school district in determining attendance by the use of a lottery or lotteries designed to preserve or increase racial, ethnic and economic diversity, except that the regional educational service center shall give preference to siblings and to students who would otherwise attend a school that has lost its accreditation by the New England Association of Schools and Colleges or has been identified as in need of improvement pursuant to the No Child Left Behind Act, P.L. 107-110. The admission policies shall be consistent with section 10-15c and this section. No receiving district shall recruit students under the program for athletic or extracurricular purposes. Each receiving district shall allow out-of-district students it accepts to attend school in the district until they graduate from high school.

(f) The Department of Education shall provide grants to regional educational service centers or local or regional boards of education for the reasonable cost of transportation for students participating in the program. For the fiscal year ending June 30, 2003, and each fiscal year thereafter, the department shall provide such grants within available appropriations, provided the state-wide average of such grants does not exceed an amount equal to three thousand two hundred fifty dollars for each student transported, except that the Commissioner of Education may grant to regional educational service centers additional sums from funds remaining in the appropriation for such transportation services if needed to offset transportation costs that exceed such maximum amount. The regional educational service centers shall provide reasonable transportation services to high school students who wish to participate in supervised extracurricular activities. For purposes of this section, the number of students transported shall be determined on September first of each fiscal year.

(g) The Department of Education shall provide, within available

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appropriations, an annual grant to the local or regional board of education for each receiving district in an amount not to exceed [two thousand five hundred] three thousand dollars for each out-of-district student who attends school in the receiving district under the program. Each town which receives funds pursuant to this subsection shall make such funds available to its local or regional board of education in supplement to any other local appropriation, other state or federal grant or other revenue to which the local or regional board of education is entitled.

- (h) Notwithstanding any provision of this chapter, each sending district and each receiving district shall divide the number of children participating in the program who reside in such district or attend school in such district by two for purposes of the counts for subdivision (22) of section 10-262f and subdivision (2) of subsection (a) of section 10-261.
- (i) In the case of an out-of-district student who requires special education and related services, the sending district shall pay the receiving district an amount equal to the difference between the reasonable cost of providing such special education and related services to such student and the amount received by the receiving district pursuant to subsection (g) of this section and in the case of students participating pursuant to subsection (d) of this section, the per pupil amount received pursuant to section 10-74d. The sending district shall be eligible for reimbursement pursuant to section 10-76g.
- (j) Nothing in this section shall prohibit school districts from charging tuition to other school districts that do not have a high school pursuant to section 10-33.
- (k) On or before October fifteenth of each year, the Commissioner of Education shall determine if the enrollment in the program pursuant to subsection (c) of this section for the fiscal year is below the number of students for which funds were appropriated. If the commissioner determines that the enrollment is below such number, the additional

- 419 funds shall not lapse but shall be used by the commissioner in 420 accordance with this subsection. (1) Any amount up to [five] seven 421 hundred fifty thousand dollars of such nonlapsing funds shall be used 422 for supplemental grants to receiving districts on a pro rata basis for 423 each out-of-district student in the program pursuant to subsection (c) 424 of this section who attends the same school in the receiving district as 425 at least nine other such out-of-district students, not to exceed one 426 thousand dollars per student. (2) Any remaining nonlapsing funds 427 shall be used for interdistrict cooperative grants pursuant to section 10-428 74d.
- (l) For purposes of the state-wide mastery examinations under section 10-14n, students participating in the program established pursuant to this section shall be considered residents of the school district in which they attend school.
  - (m) Within available appropriations, the commissioner may make grants to regional education service centers which provide summer school educational programs approved by the commissioner to students participating in the program.
  - (n) The Commissioner of Education may provide grants for children in the Hartford program described in this section to participate in preschool and all day kindergarten programs. In addition to the subsidy provided to the receiving district for educational services, such grants may be used for the provision of before and after-school care and remedial services for the preschool and kindergarten students participating in the program.
  - (o) Within available appropriations, the commissioner may make grants for academic student support for programs pursuant to this section that assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., as determined by the commissioner.
- Sec. 4. Subsection (b) of section 10-66dd of the general statutes is

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- repealed and the following is substituted in lieu thereof (*Effective July* 451 1, 2010):
- (b) (1) Subject to the provisions of this subsection and except as may be waived pursuant to subsection (d) of section 10-66bb, charter schools shall be subject to all federal and state laws governing public schools.
- 456 (2) At least one-half of the persons providing instruction or pupil services in a charter school shall possess the proper certificate other than (A) a certificate issued pursuant to subdivision (1) of subsection (c) of section 10-145b, or (B) a temporary certificate issued pursuant to subsection (c) of section 10-145f on the day the school begins operation and the remaining persons shall possess a certificate issued pursuant to said subdivision (1) or such temporary certificate on such day.
  - (3) The commissioner may not waive the provisions of chapters 163c and 169 and sections 10-15c, 10-153a to 10-153g, inclusive, 10-153i, 10-153j, 10-153m and 10-292. On and after July 1, 2012, the commissioner may not waive the provisions of section 10-145b.
  - (4) The state charter school governing council shall act as a board of education for purposes of collective bargaining. The school professionals employed by a local charter school shall be members of the appropriate bargaining unit for the local or regional school district in which the local charter school is located and shall be subject to the same collective bargaining agreement as the school professionals employed by said district. A majority of those employed or to be employed in the local charter school and a majority of the members of the governing council of the local charter school may modify, in writing, such collective bargaining agreement, consistent with the terms and conditions of the approved charter, for purposes of employment in the charter school.

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| This act shall take effect as follows and shall amend the following |              |            |
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| sections:   |              |            |
|   |              |            |
| Section 1   | from passage | 10-66bb    |
| Sec. 2  | from passage | 10-66hh    |
| Sec. 3  | July 1, 2010 | 10-266aa   |
| Sec. 4  | July 1, 2010 | 10-66dd(b) |

**ED** Joint Favorable Subst. C/R

APP